GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:6151
ANSWERED ON:27.04.2001
DISINVESTMENT OF PUBLIC SECTOR OIL COMPANIES
DILIP KUMAR MANSUKHLAL GANDHI

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have decided to disinvest public sector oil companies of the country;

(b) if so, the names of oil companies identified;

(c) whether such disinvestment is in the interest of development of the country;

(d) if so, the details thereof; and

(e) the time by which the process is likely to be initiated ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) & (b): The consideration of proposals for disinvestment in Central Public Sector Undertakings including Public Sector Oil Companies is a continuous process. The Cabinet Committee on Disinvestment considers from time to time various proposals regarding Public Sector Oil Companies.As of now the Government has decided to retain 26% equity in IBP Co. Ltd. and to disinvest 33.6% through international competitive bidding.

(c) & (d): The declared policy of the Government is thatthe Government will, in generality of cases, reduce its equity to 26% or below in Public Sector Undertakings(PSUs) operating in non-strategic areas. The Public Sector Undertakings in Oil Sectors are operating in non-strategic areas. The objectives of disinvestment policy inter alia include releasing of resources locked up in non-strategic PSUs for re-deployment in areas that are much higher on the social priority such as basic health, family welfare, primary education, social and essential infrastructure.

(e) The process of disinvestment in IBP Co. Ltd. has already been taken up but not yet completed.